

City Council of Peachtree City
Retreat Workshop Minutes
March 5, 2019

The Mayor and Council of Peachtree City met in Retreat workshop session on March 5, 2019. Mayor Vanessa Fleisch opened the workshop at 6:30 p.m. Council Members attending: Terry Ernst, Mike King, Kevin Madden, and Phil Prebor.

Topics for the Retreat workshop included Comprehensive Plan Initiatives, Development/Re-Development Initiatives and Tools, and Code Enforcement.

Fleisch began by thanking everyone for attending and saying she hoped they would walk away with context and information on the City's status as it celebrated its 60th anniversary. The goal was to present facts, because they liked to make decisions based on facts, she noted. Over the past few years, due to the poor conditions, the City had been in continual crisis mode as different situations arose, such as Lake Peachtree, failing stormwater drains, or the lack of space for incoming businesses, since 97% of industrial space was full. Every day, the Mayor remarked, there was something breaking due to poor workmanship or builder-grade materials not intended for longevity.

Fleisch noted that she spoke to third graders at Kedron Elementary the previous week and asked them to guess the busiest cart path in the system. They all replied that it was the one that went by their house. Fleisch said it was easy to focus mostly on what surrounded us, but Council had to focus on the City as a whole. For the majority of the 10 years she had been in City government, Fleisch reported that she had focused on the failing infrastructure. They had made huge strides, but must ensure that they maintained what they had. Now, for the first time in those 10 years, they were able to take a more proactive, rather than reactive, look at all of the City. She acknowledged that it was easy to go online and get one side of an issue, and thanked the audience for their attendance and desire to understand the processes behind the decisions the City made.

City Manager Jon Rorie asked those attending the meeting to look at the information that would be presented as pieces of a puzzle. He had spent a lot of time putting out figurative brush fires, trying to keep them from becoming conflagrations during his eight years with the City. The idea of this retreat session was to explore what the City could look like. He showed the initial plan for Peachtree City, which had called for a population of about 84,000 people. He asked the audience to imagine 84,000 people tucked in the City's 24 square miles. The current population was around 35,000. Over the years, the original plan had changed. The population and density were downgraded. Now, the City was, in essence, built-out, Rorie said, and the focus should be on what the future would look like.

At this retreat session, they would discuss economic development, redevelopment, Community Improvement Districts (CIDs), traffic and roads, and how they fit into the context of some larger issues. On April 2, there would be a follow-up workshop on facility management and service capacities, and another on May 7 to discuss fiscal control and financial management.

Rorie pointed out that it was easy to put numbers on a piece of paper to represent a spending plan, but it was difficult to determine what those numbers should be. The goal coming out of the May 7 Retreat workshop was for him to make a recommendation in how they approached the next five years, 10 years, and 20 years, in terms of financial control and fiscal management. The other pieces were just tools they would use to get there.

On the agenda, Rorie pointed out, the words "safeguarding our community" were highlighted. There were 35,000 people in the City and probably 35,000 opinions on what this meant. He said they were trying to understand the opportunities and risks that might arise in the future. By understanding them, they might be able to develop choices and be proactive rather than reactive. One topic would be

how they responded as a community to recessions or financial crises, as well as for developments or annexations. They needed to understand the opportunities and risks in order to focus on what choices they could have in the future.

Rorie read the City's mission statement, which said the City government existed for one purpose: to provide high quality services. That was simple, he noted, but the bullet points showed the nuances:

- Ensuring residents a safe and healthy environment in which to live, work and enjoy leisure time
- Providing consistency in the delivery of municipal services in a fiscally responsible manner
- Responding in a courteous, timely, and effective manner to the expressed needs, concerns, and expectations of our residents
- Promoting a sense of community through family oriented activities and citizen involvement.

Rorie noted that these were easy to write, but harder to implement. Safeguarding the community meant doing something; but what was that "something." Rorie said he was frequently reminded that he needed to listen to citizens, and "which ones?" was his usual response. The concept of high-quality services meant different demands and different service level impacts throughout the City. At this meeting, he wanted to share discussions about the past vs. the future and how the various demands played out day to day.

There were two sides of decision-making, Rorie explained. One was politically acceptable, illustrated by the question "Can't you just?" and the other was administratively sustainable, with the answer "No, I can't." In between was a public policy gap, which Rorie illustrated with a dollar sign. At the February 21 Council meeting, he used this illustration to discuss issues with the path system, such as leashes, horns, striping, and signs. He expanded the discussion to include other things dealt with on a daily basis, including playgrounds. The last playground installed cost \$45,000. There were 24 tot lots throughout the City. If each was replaced with a playground, it would be 24 times \$45,000. Rorie said he made a recommendation several years ago to reduce the amount of money spent on library books by \$25,000. They faced a lot of resistance, but, Rorie pointed out, the world now existed in a digital environment, and there were many forms of media in addition to books. On average, the City spent \$12 or \$15 per streetlight, but the budget was close to \$400,000 per year just for streetlights. He said he frequently got requests for new lights, but the City already spent enough. He asked if that was safeguarding the community. Deer were another issue. The City had 3,700 acres of greenspace that provided a habitat for wildlife. Public Works Director Scott Hicks said a contractor would charge \$150 to remove a dead deer, and there were about 250 a year killed on City roads. Other pieces of the puzzle were recreational user fees, signs, and even pansies, Rorie joked.

Rorie concluded with a quote from Patrick Henry: "I know of no way of judging the future but the past" and one from Abraham Lincoln: "The best way to predict the future is to create it." In between was a balance, and in between was a public policy gap and the day to day decisions City leaders made when they tried to look at what the future held. He went on to say that Mark Twain once quoted British Prime Minister Benjamin Disraeli in saying that "there were three kinds of lies: lies, damned lies, and statistics."

Rorie presented statistics that showed that the metro Atlanta area was number one in job growth, year after year. However, jobs brought people, and people brought traffic. It was great to have all these jobs, but there were consequences. The population in the metro Atlanta area was projected to increase by three million people by 2040. Jobs would increase by four million. Rorie asked what would happen if these numbers were off by 50%. He noted that Coweta County's population, now 140,000, was expected to increase by 98,000 over that same time period. Fayette County, now at 111,000 people, would grow by 32,000. Even if those numbers were off by 50%, they were still talking about moving the city of Charlotte into the metro area. If they were accurate, it would amount to moving the populations of Charlotte and Jacksonville in a 10-county area, and Rorie asked what

would be done to plan for that demand and impact. Rorie showed predicted growth in occupations at various salary levels. High wage jobs in technology and health occupations were expected to increase. Some of the mid-wage occupations, such as office and administrative support personnel, were expected to decline, as were jobs in education and library science. Truck drivers would see more job opportunities. The growth predictions were higher for low-wage occupations, such as retail sales.

These jobs created certain travel patterns, Rorie continued. Each day, about 15,500 City residents left town to go to work, while 16,600 people came into Peachtree City to their jobs. Only about 2,600 people both lived and worked in the City. If the City was basically built-out, and industrial sites were at a minimum, Rorie asked what the City could do to change these numbers and get more citizens to live, work, and play in Peachtree City.

Rorie recalled a book he read about the decline in the national birth rate and its impact. Birth rates were below the replacement levels for all races and ethnicities. The Governor's Office of Planning and Budget estimated that in 2025, Fayette County would have about 13,000 residents between the ages of 10 and 19, as opposed to around 16,000 in 2017. In 2017, there was a population of around 16,000 people in the 60-69 age range; by 2025, the estimate was 20,000. There was a lot of talk about attracting millennials and young families, Rorie stated, but figures showed that retirees had more income and spent more as a group. Retirees would bring \$40 billion in personal income, compared to just \$4 billion for people age 18 to 64. Retirees would add \$7.8 billion to the gross domestic product (GDP), while the younger group would add just \$2.6 billion. He asked Senior Planner Robin Cailloux how often she got inquiries about senior living facilities, and Cailloux said, conservatively, at least twice a month.

The bigger question, Rorie noted, was that if you had this population growth, regardless of age, where would they work and live. There was a lot of discussion locally about apartments and condominiums, and mixed use developments. As populations shifted, people wanted to downsize to something more affordable that required less upkeep. He questioned what type of recreational services would be needed. Rorie noted that school enrollment numbers were declining.

Rorie said that led to some comprehensive planning efforts, which had four focal points. One was economic development, which called for maintaining a diversified economy that encouraged high paying, quality jobs to maximize the tax contribution while meeting the requirements of a healthy environment. The land use component called for establishing appropriate land uses in areas that were suitable for development that would not endanger, but protect, the surrounding environment and aesthetics. Community services called for continually providing adequate levels of services to all areas as needed (By whose standards? Rorie wondered). The transportation component called for establishing and maintaining a comprehensive system that provided safe and convenient circulations through and around the City, including roads, cart paths and rideshare services. Those were overlapping impacts with competing interests.

Council's job was to understand consequences of their decisions. One way to do that was through citizen engagement opportunities to define the who, when, when, where, and how. Means included comprehensive planning, surveys, public meetings, and boards and authorities. Public input registered during the creation of the Comprehensive Plan showed citizens were concerned about the lack of a central gathering place, limited housing type options, the need for redevelopment of retail space, and maintenance of landscaping. Rorie said he wanted listeners to keep those in mind when considering the issues that the City faced every day.

In looking at the consequences of some items in the Comprehensive Plan, Rorie noted that recruiting high quality jobs would shift the tax burden away from residents. Rorie questioned whether the City

should focus on recruiting a manufacturing facility that offered mid-wage jobs that would bring workers to the via SR 54 or 74, noting they would commute out of the City in the afternoon creating more traffic. Rorie said they would shift the focus to technology and trying to in-fill some of the smaller sites in the Industrial Park through different type of light industrial users.

Managing congestion had consequences that City Engineer David Borkowski would discuss later, the City Manager remarked.

The 2006 planning effort listed several areas for redevelopment, and Rorie wondered if the list was still relevant. Braelinn Village retail was on the list, and Rorie mentioned that Kmart was no longer in business, asking what would go in that space. He said he believed they had been asked to look at some type of senior facility there, and Cailloux confirmed this, saying they were approached about 18 months ago, before Kmart officially closed. Also on the list were Stevens Entry and Westpark Walk retail.

Rorie displayed a "wordle" showing the frequency of use of certain words by residents in listing the things they loved about Peachtree City. Prominent on the list were the path system, golf carts, and greenspace. Rorie said the City even regulated the cutting of trees on private property. There were 3,700 acres of public greenspace, and clippings from all those acres were hauled down to the waste yard on SR 74, which he called a million-dollar dump on the gateway to the City. Rorie said there were consequences to the greenspace, such as tree limbs and deer. Safety was also prominent on the list, as was low crime and low accident rate.

The wordle for things residents wanted to improve included the lack of a central gathering space, vacant retail, limited affordable housing options, and too many rental homes. City Clerk Betsy Tyler conducted periodic surveys of residents. A 2016 polling showed that residents thought the biggest challenge for the next 10 years was traffic. Crime came in at number two, although Rorie said it was not running rampant, it was just reported more, and social media made the news more widespread. Surrounding development, such as the projected population increase in Coweta, was also an issue. Rorie said he felt the biggest challenge the City faced was how to be all things to all people at all times and make everybody happy. However, it could not be done. They needed to explore how to prioritize these things for the future.

Cailloux then took over, saying she first would present a couple of status updates on residential development, undeveloped land availability, and vacancy rates at existing developments. Then, she intended to discuss some national trends and how Peachtree City reflected those trends. Tools to protect and promote private investment would also be examined, Cailloux reported.

This year's figures showed the average single-family house in Peachtree City was built in 1993, up from last year's 1991. The houses were not getting younger, Cailloux explained; new construction on the west side lowered the average age. The average condo/apartment unit was built in 1993, while the average townhome was constructed in 1986. The last apartment construction in the City was in 2001, she reported.

A bar graph depicted values per unit and per acre for single-family homes on large and smaller lots, condos, apartments, and townhomes, based on 2018 Tax Assessor data. It showed that single-family homes on more than an acre had the highest average value per unit, just under \$600,000. The greatest value per acre was for a home on a lot less than a quarter-acre in a cluster development, averaging out at \$1.5 million per acre. Most of those homes were recently built, Cailloux pointed out, so they would have a higher value. Nonetheless, when there was more investment on a smaller area, the average value was higher.

Figures from the U.S. Census Bureau's Quick Facts showed that 26% of the single-family homes in the City were rentals. The national average was 17%. This reflected a changing demographic, she noted. The number of people who were choosing to rent was increasing across the board, and the percentage for households making more than \$100,000 had increased by 48% since 2008. Cailloux noted that 2007 and 2008 was when the housing market really began to decline. Among middle income families, the number of renters grew by 18%, while in the lower income range, it grew by 8%. She showed photos of homes currently for rent in Peachtree City at multiple price ranges.

Cailloux shared photos of improvements in the appearance of homes, including one on Sweetgum that had been purchased and renovated and was now on the market. A photo of another home in that neighborhood showed renovations, and Cailloux said these were good quality improvements on these older homes. These improvements resulted in increased property values, and, therefore, increased revenues to the City.

Cailloux also displayed photos of improvement at a home where Code Enforcement had stepped in. She reported that Code Enforcement dealt with 72 homes in the past year. Maintaining property values was important because if too many run-down properties collected in one area, property values would decline. Responding to a question from Fleisch, Cailloux said there were three Code Enforcement officers. Rorie asked if they had an adequate tool box to deal with the issues they faced, noting that a lot of the restrictive covenants in older neighborhoods had expired. Cailloux remarked that the City was restricted to using the International Building Code property management tools. Pointing to areas on the "after" photos, Cailloux remarked that the City could not require the property owner to paint the siding all one color or to cover an exhaust on the side of the house. There were standards adopted for use throughout North America, and the City could only use those tools.

The availability of undeveloped land had both increased and decreased, Cailloux noted. She displayed a map of the City, with the areas that could not be developed shown in green. There were 371 acres of undeveloped land zoned for residential use, but 102 of those, along MacDuff, were in preliminary development. Construction should start by summer. The City had added about 65 acres of developable single-family residential land with the potential to add 80 lots with the annexation on SR 54 East. She showed a 148-acre parcel in the northeast corner of the City that was zoned for one-acre lots. There was space for a few estate-sized lots on Robinson Road, and the remainder of undeveloped residential property was small lots scattered throughout the City. Two areas were already zoned for multi-family, Cailloux noted. There was a seven-acre tract at the end of Cobblestone Creek, and a 30-unit condominium-type development would be permitted on a tract on Rockaway Road.

Undeveloped commercial land consisted of 56 developable acres that were zoned General Commercial (GC) or Limited Use Commercial (LUC), 41 of which were in the land annexed on the east side, along Governor's Row and Peachtree Court as well as what was known as the Bradshaw Family tracts. Aside from these two large parcels, the next large site was a 4.6-acre tract in Lexington Village; there were two 1.5- and 2-acre tracts in Bridgepark, located in front of the Hilton Garden Inn on SR 74. The remainder were small lots with unique constraints, such as topography, railroad, environmental issues, etc. There were 22 developable acres of office-zoned land. An area off of World Drive had the ability for an all-suites hotel or an office building. Two parcels were at the entrance to The Gates subdivision, and the remainder had unique challenges. The parcel across from The Gates had a pond and some wetlands, so it appeared much larger than it actually was. There were some odd-shaped pieces off Tivoli Gardens Road, Cailloux noted.

Cailloux went on to say there had been a good amount of industrial development over the past year, leaving a total of 235 developable acres, most of it in the airport and owned by the Airport Authority. They were currently adding a 5,000 square-foot hangar. There was an 11-acre tract that

could be impacted by navigation easements. Of that, there were only two lots of the size needed to attract a major industrial tenant. Four lots were in the mid-range in terms of size and about 18 lots of three to eight acres that would not be considered suitable for a manufacturing site, but could be used for warehousing or storage. There were 14 lots of up to three acres, but in the industrial world, Cailloux pointed out, that was not a developable parcel. The City might want to look at combining them and redeveloping with surrounding parcels or options for light industrial categories.

Commercial vacancy rates had increased over the past year, from 3 to 5%. Most of that could be attributed to the loss of Kmart. Some of the older commercial developments had lowered their rental rates, and there had been a lowering of the average sale per square foot. Office vacancies improved by 1%, to 10%, which Cailloux said was a healthy number. She added that about 75,000 square feet of office space would hit the market by fall, already occupied, when SMC³ completed construction. Industrial vacancies were consistent with last year at about 1.9 or 2%. There were many projects built as speculative buildings and immediately occupied, such as 115 Paschal or the two parcels next to Osmose.

Prebor asked what a good vacancy rate was for commercial space. Cailloux said the City did not want to see more than a 10% rate, but noted that countywide, the vacancy rate was around 16%. Peachtree City was doing well compared to its neighbors, but needed to watch for dropping rents. The City must ensure that properties were well-maintained.

Cailloux went on to put this in national context because Peachtree City was impacted by larger realities. Large retailers such as JC Penney, The Gap, and Victoria's Secret were all closing stores. In 2018, bankruptcies included Sears, Nine West, and Brookstone. To put it into context, online sales constituted only 10% of all retail sales. Clearly, there was a shift, and the percentage had doubled over the past year and was expected to continue. However, Cailloux cautioned, citizens should expect to start seeing ghost towns in retail areas. Online retailing was attractive because prices were often cheaper, there was more selection, and it was convenient. Retailers were both going into online sales and re-focusing their brick and mortar stores into more of an "experience" with smaller stores. Nordstrom had small stores called Local, and Publix offered GreenWise. Target had a concept that could be from 12,000 to 30,000 square feet. Retailers were experimenting more with this neighborhood scale. If you could order something online, it was cheaper to store it in a warehouse at \$5 per square foot than to store it in a commercial store and pay \$20-\$25 a square foot. The smaller footprint stores still allowed people to see and touch items and to talk with associates.

Figures from the Federal Reserve Economic Development division showed the housing bubble and crash of the mid-2000's, along with rise in the property values that followed. The International Monetary Fund said the typical housing bubble occurred every 13 years and lasted about five years, which was exactly what the graph showed. A slowdown in price growth was occurring, Cailloux commented, the first since 2014. A typical bubble took four years to get to the top and four years to reach the bottom. Typically, it went back to where it was when the bubble started. However, that did not happen in the last bubble, possibly due to government intervention, Cailloux speculated, the bubble did not go back down to its starting point. Instead, it began to climb. Financial expert Charles Hugh Smith anticipated two future scenarios. One was that the truncated bubble would repeat itself, and all the gained value would not be lost. The other predicted a return to the point where the bubble started. Cailloux noted that prices on Victorian-era homes that were occupied today, with inflation factored in, still had the same value as they did when they were built.

This showed it was not unusual for these bubbles to even themselves out over time. She said it might look scary, but it was a normal economic cycle.

"What if it were wrong," Rorie asked. Cailloux responded that she was a planner, so she liked to plan

for the worst and hope for the best. Rorie said the City was obligated to plan for the worst. Cailloux gave reasons why this bubble was bound to happen. They included the massive amount of student loan debt millennials had, which averaged about \$30,000. Salaries were not keeping up with housing prices. Foreign investors were leaving the market, and there had been a demographic change in what type of housing people desired. Nationwide, about 667,000 new homes sold in 1991, and that number spiked to 1.283 million in 2005 before falling to 614,000 in 2017. The demand for apartment dwellings increased over that time. In 1997, about 200,600 units were constructed, while in 2017, about 350,000 apartments were built. By 2030, the nation will need 4.6 million new apartment units, an average of 418,000 units a year. Only 8% of new housing units built in 2017 were condos, about one-fifth of the number reported in 2006 and fewer than any year since 1974, when records were first kept. Cailloux said she heard that the financing to build condominiums had just vanished. The Great Recession left many feeling that condos were just too unstable of a product.

In 2016, 1.5 million older adults lived in nursing homes, up considerably from 1970 when they started tracking these figures. In 1970, there were 879,000 nursing home beds, up to 1.6 million in 2016. Assisted living facilities had developed since the early 1980s, Cailloux commented, noting that her mother was a senior services social worker, so this was a common topic of conversation in her family. Prior to 1985, these assisted living facilities did not really exist. They came about due to federally-funded construction, and now major corporations had whole units devoted to constructing assisted living operations. These facilities bridged the gap between home and nursing homes. They had some communal living spaces and included meal services. Medical care could be purchased on an a la carte basis. There was a huge demand for these services. Cailloux said she had talked to developers about property and mentioned it was near another assisted living facility and was told it did not matter, there would be tenants.

Cailloux noted she had gone over existing status of development, what was available, vacancy rates, and national trends; now it was time to examine how this would impact Peachtree City and its land use planning. Topics discussed in the Comprehensive Plan and in other planning activities included mixed use developments, the City's goal of 25% greenspace, shifting land use slightly away from residential and towards commercial (a 75/25 land use split, rather than the current 80/20). Cailloux said there was no perfect formula; it varied according to a city's goals. Should there be some densification or allow development to sprawl out, which came with a higher cost of providing services, she asked. They also needed to look at what tools could be used to help property owners modernize their existing inventory.

Rorie pointed out that in the 75/25 split, the 25% did not necessarily mean all retail or all industrial, and those same standards applied to annexations. He discussed how that worked in recent annexations, such as the one on SR 54 East, with 105 acres that was already developed. In this case, it might be 75% commercial/25% residential, leaving about 25% of the total as greenspace. The recent annexation met or exceeded those goals. The numbers might move a bit, but they wanted to apply those goals.

Fleisch recalled that during the public input on the Comprehensive Plan, residents were asked to define the village concept, and Cailloux remarked they got two different answers. Some people said it did not apply anymore because they drove to go shopping. Others replied that there needed to be a dense, commercial job core, then a step down in intensity from multi-family to single-family and down to the estate lots. That was the pattern the City had been using. The Mayor noted there were a lot of "I don't know" responses. Cailloux said she wanted to talk about modernizing the village concept in talking about redevelopment plans.

Cailloux moved the discussion on to tools that could be used to encourage private investment, including Community Improvement Districts (CIDs), redevelopment, and assessment districts. The

General Assembly must grant a government the power to form a CID, and the City did have a bill in the current session seeking this power. The property owners must agree to this self-taxation. A majority of the property owners must consent as well as property owners totaling 75% of the value. There would not be a lot of owners of small properties forcing the owner of a large tract into the CID unless the math worked out. The state prohibited residential, multi-family, and tax-exempt properties from being part of a CID. They could be in the area and enjoy the benefits of the projects, but they would not pay the tax assessment or have voting rights in the CID.

Once the consent of the governed had been obtained, they would approach the local government and ask to create the CID. A CID was made up of a board of directors with some members appointed by the City and others elected by the CID members. This board set the millage rate and the budget priorities. There was a maximum of 25 additional mills on top of regular property taxes, but the average in Georgia was four or five mills. The highest was 12 mills in Cherokee County. They could issue debt that would not be counted toward the City's debt limit. This debt could be issued for infrastructure projects such as streets, sidewalks, paths, stormwater, public transportation, parks, and sewer. There were a few in very dense areas that included transportation, such as shuttle buses.

Examples of potential CIDs in Peachtree City included the Huddleston Road area, which did not have sewer, which would help maximize their property values. Using a rough estimate of \$1.5 million to construct sewer to serve these properties, which had a current value of \$19 million. At five mills, they would generate \$38,000 a year for the CID, and at 12 mills, they would generate \$91,000 for the CID. It would take 40 years to raise enough money for the sewer project at five mills, and 17 years at 12 mills. Cailloux looked at smaller projects that might be more feasible, such as intersection improvements for Huddleston and SR 54, using the cost of the Planterra project, about \$750,000 as a guide. At five mills, it would take 20 years to fund this project, and eight years at 12 mills. She then looked at the Special Purpose Local Option Sales Tax (SPLOST) project of a multi-use path at \$206,000. It would take five years to generate that money at five mills, and two years at 12 mills. There were two sides to this formula, Cailloux noted – the property values and the millage rate.

Rorie asked how many properties there were in this hypothetical CID, and Cailloux said 42 or 43. Rorie said he wanted to clarify that consent of the governed was required in addition to support from the City. He noted that 51% of the property owners had to approve, and they had to represent 75% of the property value. At the end of the day, as Cailloux's calculations showed, Rorie said a CID was not a magic bullet. This was a tool, whether it was ever used or not was another matter.

Fleisch wanted Cailloux to explain more about how a property owner could benefit by getting increased value even if they were paying additional taxes. Cailloux said if the CID board was able to use some form of debt financing and put the sewer in before the money was raised, the value of sewer would greatly increase the value of that property. If, because of sewer, you were able to develop or redevelop that property, you would see greater returns. The point was that the millage alone would not be enough; it would have to be used in a suite of tools, such as debt financing.

Rorie said the property owners would have to determine for themselves if the juice was worth the squeeze.

Prebor remarked that he owned property on Huddleston. He asked if a large property owner could force him to fund a project, even if he objected, if the math worked out. Rorie pointed out that a resolution of support from the City would be required. Cailloux said it was also a scale issue. A small CID would not generate enough revenue to fund a major project. Rorie told Prebor that a private property owner could not benefit individually from the CID.

Madden wanted to clarify that the City would not be on the hook for whatever debt structure the CID set up.

Another example would be along SR 54 East, in the area of Aberdeen Village Shopping Center, the blue roofs across the highway, and the Westpark area. The estimated value was about \$30 million, and at five mills would generate about \$60,000 a year. The City had commissioned a study that estimated the cost of a connector road from Westpark to Northlake Drive at \$1 million. It would take about 17 years at five mills or seven years at 12 mills to raise this amount of money. The same study recommended improvements at the Willowbend/Northlake/SR 54 intersection. Using a \$750,000 planning estimate, it would take 13 years at five mills and five years at 12 mills. Even though the property value was increased, thereby increasing the revenue, it was still expensive, Cailloux pointed out.

Cailloux's final example was at the SR 54/74 intersection. She took out all the residential properties, leaving commercial developments valued at \$305 million. That would generate \$611,000 a year at five mills, and almost \$1.5 million at 12 mills. Constructing an overpass/underpass at SR 54/74 could require the City to come up with a 20% match for an 80% government grant. That match amount would be \$11 million of the total project cost of \$55 million. It would take 18 years for five mills and eight years at 12 mills.

Fleisch pointed out that this project would probably require condemning and demolishing some of the properties within the CID, and Rorie said they would be discussing that aspect later.

The CID was one tool to encourage redevelopment, but local governments had other means to aid private property owners. The government could streamline the permitting and planning process to help property owners reduce their risk. Cailloux said they recently hired a consultant to help create a concept for redevelopment of the area along SR 54 near City Hall and Aberdeen Village Shopping Center, knowing it would be impacted by the 54/74 improvements. Goals included creating a walkable, mixed-use area, with new public spaces, and connection to existing public spaces. Greenspace should be enhanced and protected. It should be human-scaled, which meant they were not talking about high-rises, but buildings of four stories or less. It must be economically realistic. A survey by the Atlanta Regional Commission (ARC) showed that people were looking for these qualities in their living space.

The conceptual vision from that planning effort met those goals, Cailloux reported, showing a map of the area with the redevelopment ideas depicted. The curve in Willowbend Road was much lessened, helping to create a grid pattern with new developable blocks. Some existing buildings remained, including The Bridge recreation complex, City Hall, and the First Baptist Church, which would become a visual anchor for a new greenspace plaza framed by mixed-use type buildings. This framing was important because these were not through-streets like SR 54 or 74. Once you were in the development, you needed to park and get out of your car and walk, she explained. The sense of enclosure would help slow cars down and create a more pedestrian-friendly environment. There would be a combination of on-street parking, internal parking lots encircled by buildings, and the possibility of enclosed decks. She pointed to one lot that would be built up so there would be an almost-underground parking area below. Another example was an internal parking lot that could be converted to a parking deck, surrounded by buildings. The plan also incorporated some of the traffic study recommendations that Borkowski would discuss later. The intersections with Northlake and Flat Creek would be altered.

Cailloux noted that it was important to remember that this redevelopment would be initiated by private property owners. The City would not come in and condemn properties and somehow build it for them. It would be done and agreed on by private property owners. She said those owners had

been approached and were in general support of the vision. The last Planning Commission meeting included a workshop that presented a conceptual plan with a private property owner and their firm. She showed the Aberdeen Village Shopping Center on the larger map and said what was proposed was not exactly like the plan, but, as long as what was proposed met some of the goals, it would fit in. The plan showed that the Bank of America/office building and the dentist's office would remain, and additional buildings would be centered around the block concept with a community center at the end of the area. A rendering of what was proposed showed the rebuilt Partners Pizza and Y-Knot Bar in one building. An internal street would become a commercial area, with mixed-use on the ground and apartments above. The remaining area would be apartments, served by the community center, which would house a pool, gym, and other amenities.

Over all, the tract was 9.3 acres if the bank and dental office buildings were included. The current taxable value of the property was \$3.5 million in the 2018 assessment. The property owner proposed a \$45 million private investment. There would be 7,000 square feet of restaurant space, 5,000 square feet of small scale retail, and 27,000 square feet of office space. There would be no more than 200 apartment units. Although there would be an annual property tax increase of about \$115,000, the City needed to consider that there was an increase in density, traffic impacts, and impacts on immediate neighbors. Some of that was good, Cailloux remarked, such as possible increases in property values. Other impacts, such as increased traffic and noise, wouldn't be good.

This was the first type of project of this kind in Peachtree City, and it would set a precedent or example for future redevelopment throughout the City. The developer had said this was the first apartment development of this type that he had worked on. Previously, his apartments had been more like Camden, set apart from other areas.

An improvement assessment was one more tool for redevelopment that Cailloux said she wanted to discuss. Article VII of the City Charter gave the City power to assess property for improvements. Those improvements had to be new roads, paths, sewers, sidewalks, or maintenance of those, and they must serve the area of the assessment. A property owner could not be charged if they did not have access to the new service, Cailloux explained. It could not be a system wide improvement. It would be levied on the property based on that property's use of the infrastructure. Public property that benefited from the improvements could be assessed, too. It must be repaid over a four-year term, with interest. It was not as flexible as other financing tools, she noted.

Prebor asked if they, as a Council, could decide to improve an area and make the property owners pay for it. Cailloux said a neighborhood that did not have sidewalks was an example, and Prebor commented "whether they wanted that sidewalk or not." Cailloux said he was correct in this comment, noting that the property owners paying the assessment had to have access to the improvement.

Think beyond the obvious, Rorie encouraged, saying the next slide would elaborate, and this was a critical point. Two or three years ago, he said he spent an enormous amount of time dealing with the concept of extending sewer service to Tyrone. One of the things that would frequently be said was "Why extend service to Tyrone when we don't even have sewer service on Hip Pocket?" That was a valid question. These were small lots that today could not be developed with septic systems; it would not be allowed. Now those systems were beginning to fail. Property owners were asking to hook into the sewer system. For example, Rorie related, a property owner could say they wanted to run a private main through the City right-of-way. They would put a pump and pipe it into the system to serve only their house, passing all the other homes in the neighborhood. Then their neighbors might want to do the same thing. There would be all of these little pipes in the public right-of-way when it would better serve the public purpose to have sewer run to these homes. A public-private partnership could be arranged to facilitate this because it was as good public purpose for the City.

Rorie said the purpose of an assessment district was to support projects that were for the public good. He noted there were curbs and sidewalks all over the City that most people did not use, because they were not in their neighborhoods, yet City money was used to maintain them. In creating an assessment district, the City would work with homeowners for the common good, not demand they finance a project they did not want.

Prebor said Hip Pocket was a good example that made sense. Rorie said he did not want a sidewalk, but, if he needed to do sewer, he would like the joint purchasing power that would benefit the whole neighborhood.

Madden asked if a certain percentage of homeowners would be required to give their approval, and Rorie told him that would be the right thing to do, whether it was regulated or not. Fleisch said, unlike a CID, this was for residential, not commercial property. Madden said he felt an improvement assessment was a tool that a residential neighborhood could use to affect improvements and would need approval of the residents. Rorie noted that staff recently specifically recommended against approving a grinder pump and a small pipe in the City right-of-way for this reason. The public right-of-way should not be used by an individual. Madden said he wanted everyone to understand this was not a power grab by the City.

Rorie said if residents were told they would be taxed \$10 to keep failing septic systems on Hip Pocket from dumping sewage into Lake Peachtree, everyone would be willing to pay the \$10. However, if the money was being used to put in a sidewalk on Hip Pocket, they would not be so agreeable. There was no public purpose in that. Improvement assessments should be for something in the public interest.

Rorie asked City Engineer Dave Borkowski to talk about the path system, traffic and intersections, and facilities updates and bonds. Rorie said they had already focused on private investments through CIDs and improvement assessments. Now it was time to talk about public investments. The City had a fiduciary responsibility to maintain its \$206 million in roadway assets. There were \$45 million in City facilities that must be maintained. The City's signature amenity was the 100-plus mile path network, but it still lacked connections in some areas, Rorie pointed out. He wanted to talk about public investment through General Fund dollars and SPLOST in terms of road and path resurfacing, and facility upgrades.

A discussion about roads and paths would consist of two major topics, Borkowski noted: maintenance and repair and access vs. mobility. The City had 192.8 miles of roads, a \$206 million asset that did not include the value of tunnels, bridges, and signals, and well as the 100 or so miles of cart paths. It was a lot to pack into 24 square miles. In 2018, they started out with an overall average pavement condition of 61 out of 100, with 100 being newly built and 0 being reverted to dirt. Pavement condition went to 64 in 2019 due to the paving that had been done during 2018. The current plan of attack was to increase the system condition and reduce the number of failed roads (backlog). That equated to investing about \$5.8 million a year, with \$1.8 coming from the General Fund and \$3.78 million from the SPLOST. There had to be a system wide look at the roads; they could not just focus on one set of roads, such as "worst first." Engineer Jonathan Miller had worked with Infrastructure Management Services (IMS) to come up with a cost-effective system wide maintenance/repair plan. Borkowski showed that the current budget for road maintenance would increase the pavement condition and decrease the number of failed roads, or backlog. If spending were reduced to \$4.8 million, pavement condition would increase, but the backlog would increase as well. In the long run, that would cost more because it would require more money per mile to fix those roads.

Rorie wanted to highlight the IMS recommended budget of \$4.8 million per year. He noted that the current General Fund budget was \$1.8 million. If they did nothing but repave roads, the condition

would go down. They were one year into the SPLOST, spending an average of \$5.5 million obtained through a combination of General Fund and SPLOST money. Rorie asked what would happen in year seven. They needed to consider how to increase the General Fund budget for road resurfacing from \$1.8 to \$4.8 million. That was a \$3 million increase which represented about 1.5 mills in the current ad valorem tax. The roadway system was a \$206 million publicly-owned asset. They had a duty to repair, replace, and fix the roads. Prebor noted that they were behind on road repairs, and Rorie agreed. By the end of the meeting, Rorie promised he would have a statement regarding budgeting going forward. Past administrations mismanaged this, he acknowledged.

Madden noted that 89% of the roads repaired in 2018 needed to be full depth reclamation (FDR) because the roads were not maintained in prior years.

Borkowski pointed out that over the past few years they had invested \$330,000 in maintaining bridges and tunnels in the path network, doing things like painting and fixing cracks. In an effort to safeguard these things in the future, they were putting money aside each year, with \$150,000 budgeted for maintenance in the General Fund. They inspected the bridges and tunnels every couple of years.

Rorie broke in to note that this was not a lot of money. He was working on an intergovernmental agreement (IGA) with Fayette County in which the County and the City would evenly split the cost of a bridge. Each half would be \$200,000. Peachtree City had 29 tunnels and 35 bridges. This was another piece of the overall picture of what to do and how to do it. They had to look forward, rather than backwards. Setting aside \$150,000 a year was a good policy.

The bridge connecting City Hall to Picnic Park had pretty much reached the end of its useful life. Borkowski said they had kept it painted, but underneath it was rusted. They were weighing the pros and cons of repairing vs. complete replacement. That would be about \$180,000.

Getting to access vs. mobility, Borkowski referred to the SR 54 West Corridor Study, done to give a system wide perspective. Transportation improvements could be as small as one intersection or a whole corridor. They had to look at the effects of a problem and where those effects would be felt. This study covered the area of SR 54 from MacDuff Parkway to Commerce Drive. You could not have both access and mobility, he noted. Based on that study, there had been improvements on the intersections with MacDuff, Planterra, and Line Creek, and they were working on developing an access road between the MacDuff shopping center and the Line Creek shopping center. An inter-parcel connection between MacDuff and Planterra was planned to help with traffic.

Borkowski presented a video of the intersection of SR 54 and Huddleston Road, which he said was its "own little animal" due to grading and alignment. It had a "wonky" connection and sight issues. Rorie said they had had several conversations with the Georgia Department of Transportation (GDOT) about what could be done at this intersection. The question included whether a lot of money should be invested, and how a "right in, right out," would it impact retailers in the area. It was not part of the study, but was worthy of consideration.

Borkowski pointed out traffic backup on the video, but said it did not show how far the traffic stretched. Another slide showed that there were 200 left hand turns an hour from Huddleston onto 54 at peak times. For comparison, the number of left hand turns from Willowbend at City Hall to 54 West was 21 per hour at 5 p.m. Rorie and Borkowski projected that most of the traffic on Huddleston was coming from the Industrial Park and heading towards Coweta County. This route was far less congested than coming up SR 74 to 54. The problem was being transferred to another area. Rorie asked what could be done to improve the 74/54 intersection so more of those commuters would be willing to take it. They traffic signals and were trying to get "do not block the box" markings in place.

There were plans that showed the widening of 54. People would fill the widened road, though, by taking the path of least resistance, which was Huddleston, he said.

Rorie noted that 36,000 vehicles per day went through the 54/74 intersection. Roughly 69% ended up on the east side of the intersection, going to the Fayetteville area from Coweta. He noted this was a state route, owned and maintained by GDOT, and asking who should pay for upgrades.

Borkowski asked if it would make sense to put in an R-cut or right in, right out when the Huddleston intersection was redeveloped. Prebor wondered if it was included in GDOT's plans for widening 54. Rorie said there were no plans. Borkowski noted that GDOT was working on a displaced left turn (DLT) at the 54/74 intersection, and asked if it would make sense to do something with Huddleston at the same time. There were 14 seconds dedicated for the Huddleston left turners to get onto the 54. If that turning option was eliminated, that time could be re-allocated.

Commerce Drive was included in the Corridor Study, Borkowski continued. At peak times, only 47 cars per hour turned left out of Commerce towards Fayetteville. He said it would make sense to make this a right in, right out movement, and they were talking with GDOT about incorporating it into the DLT project. If they did, it could help the movement of traffic turning south on 74.

A video of the 54/74 intersection showed traffic in the mornings, focusing on the left turns. Rorie pointed out the left turn movement from 54 headed east to 74 North. He said he often heard the suggestion that the queue length should be extended to accommodate more north-turning cars, keeping them out of the flow lane at peak traffic hours. There were stormwater drains along the corridor. Rorie questioned who should be responsible for moving those drains. This was where a CID in the 54/74 area could be appropriate so the property owners in that area could pay for it since it was in their interest.

In general, Borkowski noted, this intersection had many problems. In the southbound right turn lane, folks flooded the storage. There were numerous ways to solve these problems, but the issue was who would pay for the solution.

Rorie showed a slide of a roundabout in Carmel, Indiana, that incorporated an underpass and overpass. This structure was given to him as an example of what could be at 54/74. However, the Indiana intersection was surrounded by nothing but empty land.

Rorie went on to say that the continuous flow intersection (CFI) and DLT project would cost about \$10 million, 100% GDOT funded. Rorie said he would prefer something a little longer-term than a CFI, but he was realistic. The overpass/underpass was estimated at about \$55 million, split 80/20 between GDOT and the City. Peachtree City's 20% would be about \$11 million to fund 36,000 vehicles per day coming from the west side of Peachtree City to get to their jobs on the east side. This traffic was projected to increase by 60% over the next 20 years. He said it should be 100% GDOT money since 54 and 74 were state routes. Certainly, Peachtree City should use some of its money for improvements here. But, he noted, the \$10 million for the CFI was a third of all a special fund GDOT had available. He said he would love to see an overpass/underpass, but wondered how much easement would be required and if it would lead to cutting off portions of The Avenue or Longhorn or Commerce Drive. The CFI was on schedule for 2020. Right now they were going through engineering and environmental. Acquiring easements would take months.

Rorie said were it not for SPLOST funds he would never have recommended spending \$1.6 million on the MacDuff and Planterra intersections. Frank Destadio, chairman of the City Planning Commission, asked about traffic from the Industrial Park that turned left off SR 74 to head into Coweta. Rorie said there would be a DLT there as well.

Citizen Caren Russell asked about widening SR 54. Rorie said he did not believe that was planned. It could be part of a long-term plan, he noted, but there currently was no long-term funding. She asked if he was serious about a cut-through to Planterra from Line Creek and MacDuff. Rorie said it would be inter-parcel access, not a cut-through. It would connect MacDuff Crossing to Planterra to keep traffic moving. She asked if he would discuss this with the homeowners' association (HOA) in Planterra Ridge. That had been a big discussion when the Line Creek development went in. Rorie said he had no timing for this project.

The SR 74 Corridor North Study was a multi-jurisdictional study that ran from the 54/74 intersection up SR 74 past I-85 towards Fairburn. It looked at access vs. mobility, future traffic growth, along with pedestrian and bicycle access. Recommended improvements in the Peachtree City area included R-cuts to restrict turns at some intersections. GDOT had recently completed one at Kedron Drive South with a concrete median to prevent left turns out of Kedron Drive. The entire study was about balancing access and mobility. Borkowski showed a graph that showed how increased access limited mobility and vice versa.

A study of the 54 East corridor looked at the area from the 54/74 intersection to the ultimate planned City limits on the east side, incorporating existing development and new annexations. R-cuts for some intersections were proposed, including at Governor's Square. Options for paying for these improvements included SPLOST, CIDs, developers, and GDOT. They had talked to GDOT about obtaining Quick Response grants.

The County Wide Transportation Plan (CTP) was being updated now, Borkowski noted, as it was every five years. It looked not only at Fayette County's needs, but considered what was going on in neighboring counties and how Fayette would tie into that. Council would eventually be asked to pass a resolution of support for this plan. He showed a list of Peachtree City area projects included in the plan, with major ones highlighted. The extension of TDK Boulevard from Peachtree City into Coweta factored heavily into these, he noted. This was a project Coweta highly sought to help with traffic on their side of 54.

Fleisch broke in to note that this Council had no will to support this project, with King stating this Council would lay down in the road to stop it.

Rorie said the TDK extension was not a funded project. The first highlighted project was TDK Boulevard at Crosstown Drive, followed by TDK Boulevard Extension, Peachtree Parkway at Crosstown Drive, SR 54 widening, and TDK Boulevard at Dividend Drive. With the exception of SR 54 widening and Peachtree Parkway at Crosstown Drive, all these circled around and connected to the TDK extension. If there was no support in the CTP for the TDK extension, and the City was not willing to support it, Council should ask Rorie to give them a resolution of opposition to the TDK extension. That would set the stage for removing these projects off the plan.

Madden said he thought it was essential to discuss this. It would cost \$55 million to build an overpass at 54/74. Shop owners would be expected to form a CID and raise \$11 million to build it while their stores would be closed for years during construction. To expect them to do that was impossible. He said he had brought this up to the Fayette County Transportation Department and Council had discussed it on many occasions. When he knocked on doors during his election campaign, Madden went on, 80% of the questions he got were about the 54/74 intersection.

Two bypasses were needed, Madden noted. Coweta County needed to widen SR 85 and SR 16 so there could be a southern bypass of Peachtree City, allowing their 29,000 cars that went to Fayetteville to pass through the southern part of Peachtree City. Coweta needed to consider a northern bypass for the traffic that sought to go to the Interstate or for the people north of Newnan

to get to their jobs in Fayetteville. There was no way, even if the City threw \$100 million at 54/74, that they could take care of the current traffic or that from the 3,000 homes that were about to be built on the Coweta-Fayette line. If the ARC was not interested in having a serious proposal from Coweta County to widen those roads to create at least two bypasses, Madden said there was no way he would support a proposal to extend TDK Boulevard.

King commented that it was not necessarily ARC's fault. Over the years, Coweta County had looked to move their traffic from west to east and back home; they had not looked to the north to I-85. The lack of improvements on the exits from Newnan to SR 74 showed that. Those could be improved. If TDK was opened up into Fayette County, traffic would go right down Crosstown to Ebenezer, back to 54 and flood the road with traffic. Fayette County had not realized how much this would cost them in the next 25 or 30 years for purchasing property just to build a four-lane. He said he agreed with Madden on the southern bypass. They could very well connect north of Peachtree City, in Dogwood or that area, it would be just a little over a mile to Minnix Road and there would be another connection on the north side. Otherwise, Peachtree City would be a doormat for east-west traffic.

To start, Fleisch said, they should pass a resolution against the TDK projects in the CTP.

They had talked about this many times, Prebor remarked, and noted that it was a regional problem. They had tried to coordinate Three Rivers, ARC, Coweta, and Fayette counties. He said while everyone was in agreement that TDK was a bad idea, SR 85 in Fayetteville also had huge traffic backups headed into Fayetteville. As far south as SR 85 might not be far enough for a bypass.

Rorie said he tried to lay out nuances of decisions. They did not want to widen SR 85 in Fayette County. They were looking at a CTP that considered TDK projects, and Peachtree City did not want an extension. However, there was a population forecast that said Coweta County would grow by 98,000 people over the next 20 years, asking where would those people go. Rorie said they could not look at any one of these issues – redevelopment, traffic, whatever – in isolation. Staff and Council had done this for the entire eight years he had been there. They had made incremental budget adjustments and considerations and came to the point where they had developed a master plan. Now the question was how to execute it. Then it came to getting ARC and Three Rivers together. They were both part of the same organization, the Metro Planning Organization, which looked at traffic. It came down to access and mobility. Rorie noted that you could drive 75 mph on the Interstate because people could not enter all over the place. Greater access decreased mobility; to attain greater mobility, access must be limited. That must constantly be balanced. Yes, there was a need for a north and a south bypass. He said if it was Council's will, he would bring them a resolution at their March 21 meeting showing their lack of support for the TDK extension. Fleisch said she wanted it to mention that the entities involved needed to actively seek a solution.

When Council was given a briefing on the CTP several months ago, Ernst recalled, he asked what Coweta was doing and was told that they would be updating their CTP within the next year, after Fayette had completed its plan. Ernst wondered how would that work if the two sides were not talking to each other. Coweta did not have a traffic problem; Peachtree City did, so it appeared they were not interested in spending money on their side to help the traffic.

Rorie stated they were not making progress on 54/74, and he did not believe they should commit General Fund tax dollars to handle an improvement on a state route. That should be state or federal money. He said he would get a resolution to Council to consider at their March 21 meeting.

Rorie then focused on a project that remained on the horizon: intersection improvements for Crosstown Road/Peachtree Parkway. He showed concept site plans, the first of which was an extension of the right turn lanes. Instead of getting caught in the queue for straight traffic, motorists

would have dedicated lanes for turning east and west. Traffic backed up just one hour a day, morning or afternoon, he repeated, asking how much they would be willing to spend for one hour a day. Another concept called for a traffic circle, but the concern was that they did not have an engineered plan that was to scale. Rorie cautioned if it was going to do it in today's dollars, it should be designed, engineered, and build with the future in mind. There needed to be two lanes going around. Without engineered plans, they did not know what the footprint would be required to put in a two-lane roundabout.

The City had a funding source of roughly \$1.5 million, Rorie continued. The intersection improvement was an identified 2004 SPLOST project, and Fayette County had some leftover money they had committed to this project.

The improvement did not have to be a roundabout, Rorie remarked. The design and engineering task order for this roundabout came in at about \$200,000. Rorie asked Council to consider what if this was a signaled intersection that blinked red and yellow 22 or 23 hours a day. It could be timed to accommodate peak turning hours. Right now, he said they had a concept that was not to scale and would cost \$200,000 to get it to scale, asking Council if they were willing to spend \$200,000 to see if it would fit. The task order was prepared, but Rorie asked Council to think about it. They did not have to decide at this meeting.

Fleisch asked about the \$550,000 in SPLOST money earmarked for the right turn lanes, asking if that would be part of the plan for signalization. Rorie said it would; the right turnouts were needed regardless of any other changes.

Drone footage shot at 5:00 p.m. showed the right turning traffic heading east and turning south on the Parkway. Borkowski fast forwarded to show how fast traffic backed up, and Rorie pointed out the need for extended turn lanes. Borkowski said there was no way to use engineering standards to calculate the intersection's efficiency. It should never have been built this way, he commented. Rorie joked that was obvious without knowing any formulas, asking if they should look at this as a roundabout that no one could get into because it was not big enough or should they do a signalized intersection, even it was operational for a few hours per day.

Madden remarked that this was exactly where the people in Coweta County expected to dump their traffic from TDK Boulevard. If the picture could be extended further, you would see Oak Grove Elementary School, he noted.

Ernst asked if the signalization would be needed if the right turn lanes were extended to two lanes eastbound. Prebor said that was an excellent point. Rorie said he knew Borkowski would say the most efficient use of that intersection was a roundabout. Prebor said they knew most of the traffic was turning right, asking if there could be two turn lanes. Rorie countered that the most bang for the buck would be to build the two-lane roundabout in today's dollars. Although extending lanes and signalization were good choices, Rorie said if the roundabout was done, it should be done right and not have to be re-done on down the road. Whatever was done should be done now, in today's dollars.

Prebor said he had a lot of experience with this intersection. He said in the mornings when traffic backed up, he went down towards Huddleston Elementary on McIntosh Trail. Prebor noted that he looked to the left and picked out a car to see if he would see it again on SR 74. Coming the opposite way, if it was backed up, he cut through the Kmart parking lot. It was faster than sitting through the intersection. He said when he got to the intersection, he hoped the guy in front would pull over a little to the left so he could squeeze in and make his turn.

Unlike the 54/74 intersection, any money spent on improvements at Crosstown/Peachtree Parkway would benefit City residents, Rorie said. That was why it should be a priority. He needed to move forward with the \$200,000 engineering study or explore other options.

Prebor asked how much signalization cost, and Fleisch said it depended. Prebor mentioned Ernst's suggestion of the extended right turn lanes on two sides, adding that was a \$550,000 SPLOST project.

Fleisch recalled that they counted the number of trees that would come down when they got the roundabout design because they were concerned about destroying the character of that corner. Obviously, a double roundabout would pretty much get rid of every tree, she commented.

Borkowski said part of the task order would be to situate the roundabout to minimize tree loss, to minimize the easements they would need to get, and basically to find the best location to build it as big as needed. Potentially it could be striped for one lane, with room to add two as needed.

Rorie asked if the roundabout could be offset into the bank or into Arbor Terrace. It would probably have to be offset into the greenspace towards the residential component. They always had to look at the nuances and the impacts. The biggest challenge would be making everybody happy. That was impossible, but there were always consequences that someone would not like.

Rorie told Council he would not move forward rapidly with the roundabout task order, but he would invest some dollars for better cost estimates for the right turnouts and signalization. He would look at it as Part A, Part B, and Part C and give Council some options to pick and choose.

Internally, Rorie reported, the City used its resources to generate statistics about turning movements on school days at the intersection of Peachtree Parkway and Crosstown Road.

In closing, he noted that they had discussed economic development, redevelopment, CIDs, and that there was no single right concept. They would be discussing facility management and improvements in service capacity related to the Police, Fire, Engineering departments and so on. Another topic would be the function of recreational facilities and how demographic changes might warrant a shift. He asked if City should continue doing things just because they had always been done or should they cut back in some areas. Finance Director Paul Salvatore would be discussing fiscal controls and management at the next Retreat workshop.

Rorie said he asked Salvatore to chart the ad valorem and Local Option Sales Tax (LOST) for a given year. Ad valorem was the tax on the value of property, such as a tax on a home. He charted that for his house, showing how his taxes had gone up over a five-year period. He also wanted to know, given a base year, how they had tracked LOST revenues. The greatest revenue stream for the City was the ad valorem tax. LOST was the second greatest. There was a recession in 2008 and 2009. Property values went down during that time, and ad valorem taxes dropped. Purchasing declined, so LOST taxes dropped as well. In 2008, the City faced a \$1 million revenue shortage that forced them to make some extreme budgetary decisions. In 2007, the LOST revenue for the City was \$7,161,121. In 2016, it was \$6,787,000. By 2017, it was up to about \$7.6 million. It took 11 years of recovery to get the LOST back to pre-recession levels. Ad valorem tax revenues also tanked, but it did not take 11 years of recovery because in 2008 they did a 1.37 millage increase; in 2009, .012; 2010, 1.25; and in 2012, .372. They were not in control of LOST revenues, but were in control of ad valorem so they did a millage increase. They were trying to balance revenue with spending when they were facing, on average, a \$1 million shortfall.

In her opening comments, Rorie recalled, the Mayor noted they were finally seeing light at the end of the tunnel. He said he had been against millage reductions ever since he had been City Manager

because he knew what that deferred maintenance meant in terms of causing higher expenses eventually. His goal for these Retreat workshops was to show that safeguarding the community meant having the capacity to provide the services demanded by the citizens. That cost money. Secondly, he said it would be poor fiscal management if they did not anticipate recessionary cycles and plan for those. Rorie reported that he intended to call for an increase in the fund balance to do two things. The current fund balance target was to maintain 25% of the budget for the purpose of operating over a three-month period. That target did not anticipate or save for a reduction such as what occurred during the last recession. Rorie stated he hoped to increase the fund balance by at least \$5 million so they could cover a \$1 million gap for a period of three to five years during the next recession, whenever that would be. In the absence of that, the City would face the same choices it did in the past. It would have to lay off personnel, defer capital expenditures, or simply not do something. That was not good fiscal management. The City had come a long way, but it was time to buttress against an upcoming recession by saving for that eventuality as opposed to having to take Draconian or extreme measures because they did not plan for the future.

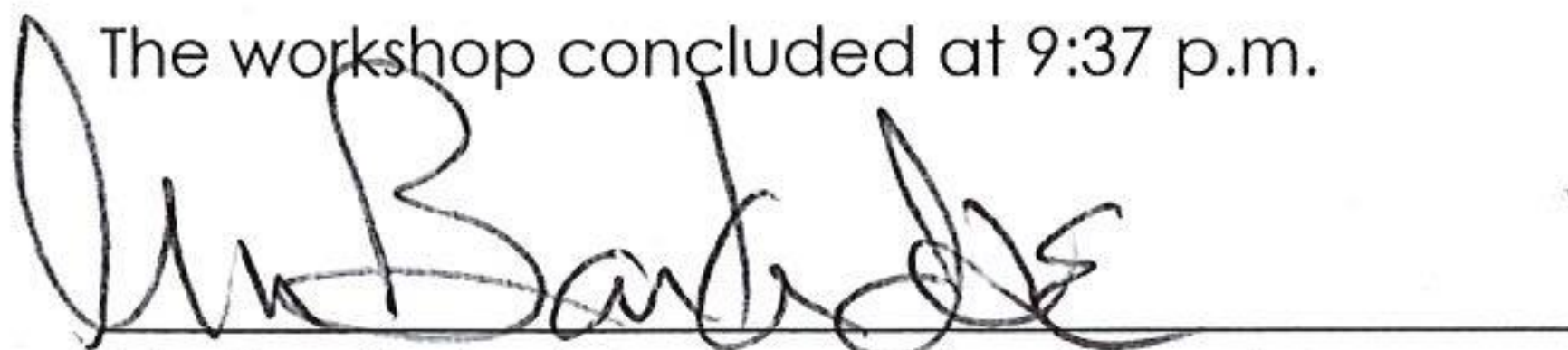
Prebor asked if it would be safe to say that when the projects were delayed, it wound up costing a lot more money because they had not had the money to maintain the infrastructure.

Fleisch remarked that infrastructure had been neglected long before the recession, even when the City had the money. The spillway crevices did not happen overnight, she noted. Those caverns were decades in the making. In 2009, before she was elected to Council, 23 Public Works employees were let go, Fleisch commented.

Rorie asked for Council's indulgence to read his response to an email he had received. The commenter noted Rorie's remarks about sustainability and asked if that meant a tax increase. Rorie noted that the City should have budgeted in the past for required maintenance, but did not. When he arrived in 2011, the City was in a state of disrepair due to neglected maintenance, Rorie wrote, going on to say that the best example was they had to delay paving Crosstown Road for two years. He said he believed the City had been poorly managed in the years leading up to the Great Recession. This left them with little choice but to implement extreme budgetary measures. He noted that he did not know about future revenue streams, but they were witnessing rising costs of materials and labor. This did not mean a tax increase was imminent, but Rorie responded that he had a responsibility to produce a budget that provided for the maintenance of City assets and infrastructure. That had required an increase in the millage rate in the past. He said a 25% fund balance was weak. It sustained operations for just three months, but not the lost revenue for the three to five years a recession might last. They did not want to limp along from year to year or do what past administrations had done, putting off painful decisions. The delay made problems worse, and, Rorie continued, represented poor fiscal management.

Rorie concluded by saying he would like to know there were enough cash reserves to cover them for at least five years of recession. That was good fiscal management.

The workshop concluded at 9:37 p.m.



Martha Barksdale, Recording Secretary



Vanessa Fleisch, Mayor